

29 JUL 1980

OFFICE OF FINANCE NOTICE NO. 34-80

SUBJECT: Payroll Obligations

STATINTL

REFERENCE: [REDACTED] Para 22a(1)(a)

1. Budget and Fiscal Officers are reminded of the requirement to refine obligations as outlined in reference, and especially at fiscal year-end to validate payroll obligation projections. The following table is a summary of pertinent data concerning fiscal year-end payroll information, including dates that payroll vouchers will be recorded in the Financial Resources System (FRS) and obligation projection percentages.

<u>1</u> Payroll System	<u>2</u> Last Pay Period (PP) Recorded in FY 1980 PP <u>Ending Date</u>	<u>3</u> Recording Date in FRS	<u>4</u> Obligation Projection to 30 September 1980
Biweekly	20 20 Sept 80	25 Sept 1980	70%
Four Week	10 6 Sept 80	11 Sept 1980	85%
Monthly	9 31 Aug 80	4 Sept 1980	100%

The payroll obligation projections to the end of the fiscal year are generated on the basis of prior pay period expenses. Thus the projection is a rough estimate of costs and as such requires analysis and further refinement to report valid fiscal year-end obligations. Components should review those factors that affect the personal services costs from the periods shown in column two (2) above to the end of September 1980 and make the appropriate adjustments.

2. It is suggested that particular attention be given to the many variables that make up a payroll including overtime, holiday pay, Sunday premium pay, language use awards, mobility incentive pay and moving expenses all of which are recorded to FRS via the payroll process. Also, special attention should be focused on terminal leave that will be paid during September, but which will not be obligated until October 1980 by the payroll process. Obligation adjustments that are needed to accurately reflect fiscal year-end personal service obligations should be submitted on an All Purpose Obligation Document (APOD) citing the 010 transaction code. All such adjustments made in conjunction with establishing valid fiscal year-end obligations should be cancelled by the components in October 1980. This should be accomplished by use of an APOD citing transaction code 050.

3. Compensation Division will expense terminal leave payments made in October 1980 to the proper fiscal year regardless of the pay period or pay system involved in effecting payment. This procedure will relieve Budget and Fiscal officers of having to prepare adjustment vouchers to transfer terminal leave expenditures between fiscal years. Components should cancel FY 1980 obligations that have been created to cover terminal leave adjustments by submitting an APOD in October 1980 as noted in para 2 above.

STATINTL 4. Any questions regarding payroll related obligations and expenditures should be directed to [REDACTED]

[REDACTED] TATINTL

Edward L. Sherman
Director of Finance